Press Release

KION Group again outperforms market in 2007 as growth trend continues

- New orders up 10 percent to €4.6 billion
- Net sales up a good 10 percent to €4.3 billion
- EBITA\(^1\) margin significantly up from 6.2 percent to 7.4 percent of revenue
- Free cash flow significantly increased
- Gordon Riske to succeed Hubertus Krossa as CEO

Wiesbaden, Germany, February 15, 2008 – The KION Group, a leading global manufacturer of forklift trucks and material handling technology and equipment, added another outstanding year in 2007 to its excellent performance in 2005 and 2006, and continued to expand on its position in a market that is growing significantly. Whereas the global market for forklift trucks in 2007 rose to over 950,000 new vehicle orders, an increase of around 11 percent based on units, the KION Group was able to increase its new vehicle orders by 13 percent based on units. This means that the KION Group's global market share is around 17 percent. On Friday, the Company published its preliminary results for 2007.

"In 2007, the KION Group saw a seamless continuation of its success over the last few years. Given the trends in globalization and world trade driving strong demand for high-quality capital equipment to support internal logistics, the Group has been able to achieve a significant rate of growth. The high degree of flexibility in our production capacity means that we have been able to continue to expand on our market position. Our employees have been highly committed and have performed outstandingly, with the result that we have been able to ensure the best possible level of supply to our customers, despite a shortage of resources," according to Hubertus Krossa, CEO of the KION Group. "All three brands have contributed to the growth in the Company. Our high-quality products make quite a significant contribution to enhancing the performance of our customers' intralogistics, thereby giving them a valuable competitive edge."

\(^1\) Adjusted for one-off items prior to purchase price allocation (PPA)
Disproportionately high growth in EBITA

Preliminary new orders rose to €4.592 billion (2006: €4.179 billion), a year-on-year increase of 10 percent. As at December 31, 2007, the KION Group’s order book stood at more than €940 million.

In 2007, the KION Group was able to increase net sales by a good 10 percent to €4.312 billion (2006: €3.909 billion). The principal growth drivers were the markets in western Europe, eastern Europe and Asia. Net Sales for the Linde brand rose by over 8 percent. The new 386 series electric counterbalance forklift with a load capacity of 1.2 to 2 tonnes was particularly successful. At STILL, the completely revamped material handling product portfolio and the new diesel/LPG RX70 forklift with low fuel consumption contributed to growth in net sales of over 12 percent. OM was also able to achieve growth from its product portfolio, particularly in eastern Europe, and managed to generate a significant overall increase in net sales of over 17 percent.

Adjusted for one-off items, preliminary earnings before tax and depreciation/amortization (EBITA)\(^2\) rose to €321 million (2006: €244 million) - an increase of 31 percent, significantly higher than the rate of revenue growth. The EBITA margin (adjusted for one-off items) therefore improved significantly to 7.4 percent (2006: 6.2 percent). "In 2007, all the milestone targets under our GoIPO program were achieved or even exceeded in some cases," according to KION CFO Dr. Nedim Cen. "In 2008, the program will deliver additional enhancements, further improve processes across the Group and bring more increases in efficiency, to the extent that we expect to be able to build on our leading position in the industry in terms of size and profitability."

Preliminary unleveraged free cash flow increased year-on-year from €194 million to some €350 million, an increase of 80 percent. Given the excellent performance in 2007, the KION Group was able to reduce its net debt to €2.368 billion, an improvement of over €100 million compared with 2006.

\(^2\) Adjusted for one-off items prior to purchase price allocation (PPA)
Almost 1,000 new jobs
The number of employees (including apprentices) rose from 20,102 at the end of 2006 to 21,086 at the end of 2007, an increase of 4.9 percent. The breakdown of the workforce among the brands is as follows: Linde, just over 13,000; Still, over 6,600; and OM, 1,245. Of the total figure of around 1,000 new jobs created across the world, 600 were created in Germany.

Long-term management continuity
On April 23, 2008, Gordon Riske (50) will take over as CEO of KION Group GmbH and thereafter will manage the Company together with CFO Dr. Nedim Cen (42). He will succeed Hubertus Krossa (60), who will remain associated with the Group as advisor and who will also provide support for KKR in Germany. Riske joined the Group on October 1, 2007 as a member of the Executive Board of the KION Group and as CEO of Linde Material Handling GmbH, the aim being that he should take over as CEO of the Group in the medium term.

Johannes Huth, Chairman of the Supervisory Board of KION Group GmbH and head of KKR's European operations, thanked Hubertus Krossa for his successful contribution to the Company over a period of 25 years: "Hubertus Krossa has led the KION Group with entrepreneurial vision to become the European number one and global number two in material handling. With the Linde, Still and OM brands, Hubertus Krossa has equipped the Group for an excellent future. The Supervisory Board and workforce would like to express their heartfelt gratitude for his successful work on behalf of the Company and its employees over many years."

Hubertus Krossa added: "I'm delighted that I have been given this responsibility in the future and that, in Gordon Riske, my successor at KION is a first-class manager with experience of the financial markets and an international career history in the engineering and drive systems sector. It was always important to me to be able to hand over a highly profitable business with a proven management and excellent workforce. I have succeeded in doing this with Gordon Riske. I am particularly grateful to the employees, partners and customers, with whom I have been privileged to work and who have made our Linde, STILL and OM brands what they are today."
Gordon Riske said: "I am delighted to be able to assume overall responsibility for KION. The positive market environment, particularly in the Asian, central European and eastern European growth markets, means that KION, with its three successful brands, has good prospects. Together with our highly motivated, competent employees and an outstanding management team, I would like to exploit these growth opportunities for the benefit of KION in my responsibility toward employees, customers, partners and shareholders."

**KION Group – fiscal year 2007 (preliminary results)**

<table>
<thead>
<tr>
<th>€ million</th>
<th>2006</th>
<th>2007</th>
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<tbody>
<tr>
<td><strong>New orders</strong></td>
<td></td>
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<tr>
<td></td>
<td>4,179</td>
<td>4,592</td>
<td>+ 9.9%</td>
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<tr>
<td><strong>Net sales</strong></td>
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<td></td>
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<td></td>
<td>3,909</td>
<td>4,312</td>
<td>+ 10.3%</td>
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<tr>
<td><strong>Linde Material Handling</strong></td>
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<td></td>
<td>2,521</td>
<td>2,726</td>
<td>+ 8.2%</td>
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<tr>
<td><strong>STILL</strong></td>
<td></td>
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<tr>
<td></td>
<td>1,260</td>
<td>1,419</td>
<td>+ 12.6%</td>
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<td><strong>OM</strong></td>
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<td></td>
<td>305</td>
<td>358</td>
<td>+ 17.4%</td>
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<tr>
<td><strong>EBITA normalized</strong></td>
<td>244</td>
<td>321</td>
<td>+ 31.4%</td>
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<tr>
<td><strong>EBITA margin</strong></td>
<td>6.2%</td>
<td>7.4%</td>
<td>+19.4%</td>
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<tr>
<td><strong>Unleveraged free cash flow</strong></td>
<td>194</td>
<td>352</td>
<td>+81.4%</td>
</tr>
<tr>
<td><strong>Employees</strong> (FTE, including apprentices/trainees)</td>
<td>20,102</td>
<td>21,086</td>
<td>+ 4.9%</td>
</tr>
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The KION Group will publish its final, audited 2007 results together with an outlook for 2008 on April 23, 2008.

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3 Preliminary, unaudited and adjusted for one-off items prior to purchase price allocation (PPA)
4 The 2006 figures have been restated in line with the current IFRS accounting principles applied by the KION Group
5 Adjusted for one-off items prior to purchase price allocation (PPA)
The company
The KION Group, with its Linde, STILL and OM brands, is the market leader in forklift trucks in Europe and the global number two in the material handling industry. In 2007, the KION Group employed over 21,000 people and generated net sales of more than €4.3 billion.

Hubertus Krossa
Hubertus Krossa was born in Lower Saxony, Germany. After obtaining a diploma in foreign trade and banking, and completing studies in business management, he started his professional career in 1977 as a marketing manager with Linde AG. Via various sales and marketing functions in the Material Handling division, he rose to become a deputy member of the Management Board. In 1991, he joined Bauknecht Hausgeräte GmbH as CEO and became a member of the European management of Whirlpool Europe. In 1997, Krossa returned to Linde AG and was appointed to the Management Board of the Group in 2000 where he assumed responsibility for the material handling business as well as the refrigeration equipment business, the latter being subsequently sold. Krossa became CEO of the KION Group in 2006 as part of the sale of the material handling activities.

Gordon Riske
Gordon Riske was born in the US. Before joining the KION Group, he was CEO of MDAX-listed DEUTZ AG in Cologne, Germany, a leading global manufacturer of diesel and gas engines. In this post, which he held for seven years, he was responsible for the successful implementation of the growth strategy and stock-market focus in DEUTZ AG. Prior to this role, he had held various management positions in the KUKA Group in both the USA and Germany, his final post being CEO of KUKA Roboter GmbH, Augsburg, Germany. Riske studied electrical engineering at the Lawrence Institute of Technology, Southfield, Michigan, USA, and holds a BBA from the Graduate School of Business Administration (GSBA), Zurich, Switzerland.

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